

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 4, 1996

SUBJECT: **SB 2045**

This bill, if enacted, will create a franchise tax credit of the lower of \$2,000 or 10% of the wages earned by each apprentice, for those entities operating an apprenticeship program certified by the Bureau of Apprenticeship and Training (US Department of Labor).

The fiscal impact from enactment of this bill is estimated to be a one-time decrease in state revenues exceeding \$5,000,000 and a recurring decrease in state revenues exceeding \$1,000,000. This estimate assumes that of the 5,400 currently registered apprentices, approximately half work in businesses eligible for the credit and that the credit would be taken for the full \$2,000 for each apprentice. It also assumes that there would be approximately 600 new apprentices each succeeding year in such eligible businesses.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is written in a cursive style with a large, stylized 'J' and 'D'.

James A. Davenport, Executive Director